Production of steel by Sail

1515. SHRI R. T. GOPALAN : Will the Minister of STEEL be pleased to state :

(a) the quantum of steel produced by the SAIL in 1991-92 ;

(b) the quantum out of it released for internal market ; and

(c) the quantity of steel exported in 1991-92 ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV) : (a) The quantum of saleable steel produced by SAIL (including IISCO) in 1991-92 was 8.03 million tonnes.

(b) During 1991-92, SAIL (including IISCO) supplied about 6.69 million tonnes of mild saleable steel Dorme in the domestic market.

(c) The quantum of steel exported by SAIL during 1991-92 was as under :

(Quantity ('000 tonnes)

Mild Steel . . .	185.9	(includes 7590 tonnes waiting for export)
Stainless Steel . .	0.55	

Capital Iron and Steel Corporation of China

1516. SHRI S. MADHAVAN : Will the Minister of STEEL be pleased to state :

(a) whether it is a fact that the Capital Iron and Steel Corporation of China has offered to promote Joint venture investment in iron ore mining, to supply blast furnace technology and to arrange for coking coal :

(b) if so, what are the details thereof ; and

(c) whether Government or the private sector had any discussions with the Steel companies of China and if so, what are the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV) : (a) and (b) During July, 1989, M/s. Capital Iron & Steel Company of China had shown interest in making investment on establishing Iron Ore Mines in India which could serve as a captive source for meeting Iron Ore requirements of China. It was also envisaged that the required technology along with plant and equipment would also be supplied by China. However, the above proposal did not find favour with the Government of India.

In pursuance of the Trade protocol for 1992, tolks are going on between NMDC and the Chinese side for possible cooperation for development of new mine. However, these talks are in the preliminary stage only.

(c) Metallurgical and Engineering Consultants (India) Limited has entered into a licence agreement with Beijing Central Engineering and Research Incorporation, Iron and Steel for transfer of coal dust injection technology in blast furnaces. M/s. Simplex Engineering and Foundry Works Limited have also entered into a foreign collaboration agreement with M/s. China Metallurgical Import and Export Corporation and China National Import and Export Corporation for transfer of technology for manufacture and supply of mini-blast furnaces on turn key basis. Discussions are also taking place between public sector undertakings and Indian priavte sector companies with various Chinese organisations for transfer of iron and steel making technology.

Visakhapatnam Steel Plant

1517. SHRI MENTAY PADMANABHAM : Will the Minister of STEEL be pleased to state :

(a) whether Government propose to encourage shore-based large steel plants to export their products ;

(b) whether it is a fact that there is huge potential for Visakhapatnam Steel Plant to develop a strategy for exports ;

(c) whether any effort is being made to use high-grade Bailadila iron ore in Visakhapatnam Steel Plant for exports ; and

(d) what steps are proposed for continued long-terms profitability for Visakhapatnam Steel Plant ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV) : (a) Industrial Licence is no longer required for setting up steel plants provided the location is not within 25 kms of a city having a population of more than 10 lakhs as per 1991 census. Government will however provide all possible assistance to any entrepreneur proposing to set up a shore based large steel plant with potential for exports.

(b) The Operations of the various units commissioned at Visakhapatnam Steel Plant (VSP) are still under the process of stabilisation. For the present its efforts are to meet the internal demand of the consumers. VSP has also taken preliminary steps by exporting small quantity of some of their products.

(c) Visakhapatnam Steel Plant is linked to Bailadila Iron Ore Mines of the National Mineral Development Corporation, which produces a high grade iron ore.

(d) With a view to improving the long term financial viability of tht company the restructuring of the capital base of the company is under consideration of the Government. Further the management is taking steps for improving techno-economic norms thereby reducing the cost of production at VSP.

Durgapur steel modern section scheme

1518. SHRI RAM AWADHESH SINGH : Will the Minister of STEEL be pleased to state :

(a) whether it is a fact that one Seth and Associate Transport Company, has been working as a Transport handling agency in Durgapur Steel Modern Section Scheme for the last five years ;

(b) whether it is also a fact that one SKS Movers Company, the lowest bidder, offered 20 per cent below the rate, which was given by the SAIL to Seth and Associates five years back but further extension has been given to Seth and Associates with previous rates by Director, Commercial ignoring the lowest offer by SKS movers company ; and

(c) whether it is a fact that Director, Commercial proposts to invite fresh tenders with high bid offers to protect his interests ?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV) : (a) to (c) M/s. Seth and Associates were the Material Handling Contractor at SAIL's Durgapur Stock-yard since 1-1-1987. The contract period was to expire on 31-12-1991. Therefore, SAIL had floated a tender in November, 1991, for awarding a fresh contract and the contract period was extended till the time the fresh contract was awarded. The scope of the contract for which bids were invited included both minor and major works, with only the prices quoted for the major works usually forming the basis for evaluation of bids. In all the bids received for the fresh contract, prices quoted for the minor works were lower compared to the bids for the old contract and those quoted for the major works were higher. M/s. SKS Movers were not the lowest bidder for the new contract.

There were 8 bids for the new contract. Since seven out of tht eight bidders did not furnish the required documents fulfil the eligibility criteria, the work was retendered and awarded to the lowest bidder on 24-3-1992 to start the work on 1-4-92. Since the work was not taken up by the new contractors on the stipulated date as was urgently required, the contract awarded to them was cancelled and awarded to the second lowest bidder viz. M/s. S. K. Sharma/SKS Movers on 6-4-92.

Steel plant daitari in Orissa

1519. SHRI GURUDAS DAS GUPTA : Will the Minister of STEEL be pleased to state :

(a) whether it is a fact that the "Bhoomi Pooja" for the steel plant at Daitari in